

SUMMARY OF THE PROJECT IN DESIGN * (*)

Promoting Sustainability and Driving Growth Through a MSME Digital Revolution in Belize

PITCH ELIGIBILITY DATE		COUNTRY(IES)
08/05/2022		Belize
ALIGNED WITH COUNTRY STRATEGY?		
Yes		
PARTNER(S)		
Chamber of Commerce & Industry of Belize (BCCI)		
PRELIMINARY CLASSIFICATION ENVIRONMENTAL AND SOCIAL IMPACT		
C (**)		
TOTAL BUDGET	IDB Lab	LOCAL COUNTERPART AND COFINANCING
US 668,000	US 350,000	US 318,000
DESCRIPTION		

The problem In Belize, MSMEs generate at least 70% of private-sector employment and incomes, with innovation with digital technologies being extremely limited in its utilization. As a result, there is concern that the sector has not been able to realize its full potential. MSMEs continue to suffer from a number of weaknesses, which limit their ability to take full advantage of economic opportunities in the local, regional and extra-regional markets. The areas of constraints are identified as poor policy and regulatory environment, limited access to finance, market access and competitiveness, and the availability of quality business support services.

The solution This project seeks to strategically drive digitalization in Belize's MSME sector to ensure the continuity of business operations under the "new normal" pandemic environment, and provide a gateway for MSMEs to realize the numerous advantages through the implementation of a digital transformation: (i) boost their operational efficiency and responsiveness in a rapidly changing market; (ii) improve customer experience and quality; (iii) generate new sources of revenue; (iv) lowers operational costs; (v) provide a competitive advantage over non-digitalized enterprises; (vi) enable decision-making based on sound data and measurements; and (vii) drive a culture of innovation.

The beneficiaries This project seeks to impact over 250 MSMEs and startups in Belize that are currently experiencing limited capacity for business management and innovation, high levels of business informality, and inadequate support options available. Most of the businesses that would benefit from the project will be micro and small enterprises with 5-9 employees, as well medium enterprises with up to 99 employees, who have also seen a substantial reduction of income as a result of the global pandemic.

The partner The project will be implemented by Belize Chamber of Commerce and Industry (BCCI) and collaborate with a series of ecosystem stakeholders. BCCI is the largest private-sector

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**The IDB categorizes all projects into one of six E/S impact categories. Category A projects are those with the most significant and mostly permanent E/S impacts, category B those that cause mostly local and short-term impacts, and category C those with minimal or no negative impacts. A fourth category, FI-1 (high risk) Financial Intermediary (FI)'s portfolio includes exposure to business activities with potential significant adverse environmental or social risks or impacts that are diverse, mostly irreversible or unprecedented, FI-2 (medium risk) FI's portfolio consists of business activities that have potential limited adverse environmental or social risks or impacts, FI-3 (low risk) FI's portfolio consists of financial exposure to business activities that predominantly have minimal or no adverse environmental and social impacts.

membership-based organization in Belize. Founded in 1920, the Chamber has been consistently championing the causes of its private sector constituency and considers among its primary objectives the social and economic development of Belize through the development of all sectors of industry, commerce, and services.

The IDB Lab's contribution IDB Lab's contribution requested is a non-reimbursable Technical Cooperation of US\$350,000.

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